Pursuant to this Amendment, please cancel Claims 13-23, 25 and 39 without prejudice. Please add new claims 41 and 42. Please amend Claims 24, 34, 35, 37, and 38 as follows:

Claims 1 - 12 (Canceled)

Claims 13 - 23 (Canceled)

24. (Currently amended) A method of making a pharmaceutical formulation ~~comprising~~ consisting essentially of:

combining at least one lipophilic pharmaceutically active agent with at least one phospholipid in a non-aqueous solvent to produce a granular proliposomal combination, wherein said pharmaceutically active agent is a poorly water soluble drug;

evaporating said non-aqueous solvent; and

applying an enteric coating material to said pharmaceutically active agent and said phospholipid, wherein said enteric coating is in contact with at least a portion of said proliposomal combination; and

forming said coated product into a capsule or suspension.

25. (Canceled)

26. (Original) The method of Claim 24, wherein said pharmaceutically active agent is selected from the group consisting of griseofulvin, famotidine, meclizine, cyclosporine, carbamazipine, methotrexate, itraconazole, dipyridamole, mercaptopurine, halofantrine, amiodarone, lomustine, testosterone, misoprostil, etoposide, rifamycin, azathioprine, glyburide, tolbutamide, aminoglutethimide, taxol, clofibrate, nifedipine, methyldopa, ramipril and dicumarol.

27. (Original) The method of Claim 24, wherein said phospholipid is a phosphatidyl phospholipid.

28. (Original) The method of Claim 24, wherein said phospholipid is selected from the group consisting of distearoyl phosphatidylcholine, dipalmitoyl phosphatidylcholine, dimyristoyl phosphatidylcholine, egg PC, soy PC, DMPG, DMPA, DPPG, DPPA, DSPG, DSPA, phosphatidylserine and sphigomyelin.

29. (Original) The method of Claim 24, wherein said enteric coating material is selected from the group consisting of cellulose acetate phthalate, alginates, alkali-soluble

acrylic resins, hydroxypropyl methylcellulose phthalate, methacrylate-methacrylic acid coplymers, polyvinyl acetate phthalate and styrol maleic acid copolymers.

30. (Original) The method of Claim 24, wherein said applying an enteric coating material comprises spraying said pharmaceutically active agent and said phospholipid with said enteric coating material.

31. (Original) The method of Claim 24, further comprising combining at least one additional ingredient which is pharmaceutically inactive with said pharmaceutically active agent.

32. (Original) The method of Claim 31, wherein said at least one additional ingredient is selected from the group consisting of carriers, diluents and lubricants.

33. (Original) The method of Claim 31, wherein said at least one additional ingredient is selected from the group consisting of microcrystalline cellulose, starch, lactose, talc, mannitol, polyethylene glycol, polyvinylpyrrolidone, hydroxypropylmethyl cellulose, ethyl cellulose, fatty acids, fatty acid salts, glyceryl behenate, dextrose and dicalcium phosphate.

34. (Currently amended) The method of Claim 24, wherein said pharmaceutically active agent is soluble in said non-aqueous solvent and is selected from the group consisting of anorexics, analgesics, antiarthritics, adrenergic blocking agents, steroids, vaccines, peptides, proteins, hormones, antibodies, antibiotics, antiviral agents, vitamins, nucleotides, nutritional agents, enzymes, genes, genetic material, cytotoxins, therapeutic bacteria, therapeutic microbes and therapeutic viral agents.

35. (Currently amended) The method of Claim 24 ~~wherein said formulation is in~~ additionally comprising forming said coated product into a form selected from the group consisting of capsules and suspensions.

36. (Original) The method of Claim 24, wherein said formulation is in tablet form.

37. (Currently amended) A method for delivering the pharmaceutical formulation produced by the method of Claim ~~13~~ 24 to a mammal comprising orally administering said pharmaceutical formulation to said mammal.

38. (Currently amended) A method for diagnosing, ~~preventing~~ or treating an illness in a mammal comprising administering the pharmaceutical formulation produced by the

method of Claim 24 ~~13, further comprising providing said pharmaceutical agent in a biologically active dose~~.

39. (Canceled)

40. (Previously presented) The method of Claim 24 wherein said pharmaceutically active agent is a water labile drug.

41. (New) The method of Claim 38, wherein said pharmaceutical agent is administered at a biologically active dose.

42. (New) The method of Claim 38, wherein said proliposomal combination forms liposomes in the mammal's gastrointestinal tract.